



U.S. Department of Justice
Office of the United States Trustee
REGION 20
Northern and Eastern Districts of Oklahoma

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IN THE UNITED STATES BANKRUPTCY COURT
EASTERN AND NORTHERN DISTRICTS OF OKLAHOMA

DEBTOR-IN-POSSESSION)
)
)
)

UNITED STATES TRUSTEE
OPERATING GUIDELINES
EFFECTIVE OCTOBER 1, 1997

The filing of a Petition for relief under Chapter 11 of the Bankruptcy Code (Title 11 U.S.C.) creates a new entity referred to as a bankruptcy estate. The Debtor remains in possession of the property of the bankruptcy estate thus becoming a fiduciary of the bankruptcy estate referred to as the Debtor-in-possession (DIP). The DIP must comply with the Bankruptcy Code and Federal Rules of Bankruptcy Procedure while operating as a DIP. Under the Bankruptcy Code, the DIP is required to comply with reasonable requirements and/or requests for information by the United States Trustee.¹ Further, the DIP is required to communicate/negotiate in good faith with all parties in interest during the pendency of the bankruptcy and to make the estate's books and records available for reasonable review by all parties.²

1. **Initial Meeting.** The Debtor-in-possession shall contact the Office of the U. S. Trustee immediately upon filing the petition and schedule a time for an Initial Meeting. The DIP

¹See 11 U.S.C. §704(8) and (9) made applicable in Chapter 11 cases by 11 U.S.C. §1106(a)(1).

²See 11 U.S.C. §704(7) made applicable in Chapter 11 cases by 11 U.S.C. §1106(9)(1).

should bring a *completed Initial Report* to the meeting and be prepared to discuss its business/financial affairs.

2. **Bank Accounts.** All of the Debtor's pre-petition bank accounts shall be closed immediately upon the filing of the Petition and new Debtor-in-possession accounts opened. Debtor-in-possession accounts may be maintained only at federally insured (FDIC) institutions that are authorized depositories recognized by the Office of the United States Trustee. The Debtor-in-possession accounts shall consist of an operating and a tax account (if applicable, a payroll account or a personal account). The Debtor-in-possession accounts shall indicate that the Debtor is in Chapter 11 as a Debtor-in-possession. The Debtor-in-possession shall file Exhibit 9 with the Initial Report identifying the financial institution used for all Debtor-in-possession accounts, the date the accounts were opened, and the current balance (Exhibit 9 shall also provide information for pre-petition bank accounts). The Debtor-in-possession shall attach to the Initial Report specimen checks and copies of the bank signature cards for all accounts. Debtors-in-possession and Chapter 11 Trustees are not permitted to vary from this procedure unless prior written permission has been obtained from the United States Trustee. Checks are to be pre-numbered by the bank and shall include the Case Name, Case Number, the words "**Debtor-in-Possession, Chapter 11**" and the type of account (General, Payroll or Tax). NOTE: In the event cash in one financial institution will at any date exceed \$100,000.00, the debtor shall notify the United States Trustee in order to arrange a pledge of collateral by the financial institution to the Federal Reserve.

3. **Books and Records.** The books and records of the Debtor shall be closed as of the date of the filing of the petition and new books and records kept thereafter for the Debtor-in-possession. The Debtor-in-possession shall preserve all pre-

petition books and records, and continue to segregate post-petition accounts and transactions. This is to be reported in the monthly operating reports.

4. **Filing and Meeting Requirements.** Voluntary cases may be dismissed if the Schedules and Statement of Affairs are not timely filed. The Meeting of Creditors will be scheduled by the United States Trustee with notice from the Clerk of the Court to all parties in interest. The individual responsible for discharging the duties of the Debtor-in-possession is required to attend and be prepared to discuss its business affairs. Failure to attend may result in the dismissal of the case. An organizational meeting will also be scheduled by the United States Trustee for creditors interested in appointment to the unsecured creditors committee.

5. **Insurance Coverage.** The Debtor-in-possession shall provide the U. S. Trustee with evidence (Certificate of Insurance) of **per occurrence, replacement** coverage for all estate property, including but not limited to all furnishings, inventory, crops and motor vehicles and, if applicable, liability and workers compensation coverage. The Certificate of Insurance shall state that the U. S. Trustee will be notified within 10 days in the event of cancellation. The Debtor-in-possession shall immediately notify the U. S. Trustee and the Creditors Committee and secured creditors, if applicable, of any lapse or proposed cancellation of any coverage.

6. **Tax reporting and Withholding Requirements.** All Debtors-in-possession are subject to the Internal Revenue Service, Oklahoma Tax Commission, and local taxing regulations regarding tax deposits and reporting requirements. The Debtor-in-possession shall file all past due, delinquent tax returns within thirty (30) days. Certificate of current tax reports and deposits shall be made in the Monthly Operating Reports along

with a bank reconciliation for the tax account. All Tax Returns shall be timely filed and accompanied by any sum due for unpaid post-petition taxes. Copies of all tax records shall be maintained for inspection. The last 2 years' tax returns shall be included with the Initial Report.

7. Reports to the Court:

- a. **Initial Report.** No later than fifteen (15) days after the filing of the Petition, the Debtor-in-possession shall file an Initial Report with Exhibits 1-12. If several businesses are involved in the Chapter 11 estate, a separate report shall be filed for each entity.
- b. **Pre-Confirmation Monthly Operating Report.** The Debtor-in-possession shall file by the 15th of every month, until a Plan is confirmed, a Monthly Operating Report to be certified by the Debtor-in-possession. The DIP shall mail a copy to members of the Unsecured Creditors Committee, Secured Creditors and any party requesting the report.
- c. **Post-Confirmation Quarterly Report and Final Report.** The Debtor-in-possession shall provide to the U. S. Trustee a *quarterly* Post Confirmation Report. Upon consummation of the Plan, the Debtor-in-possession shall file with the Court a Final Report and request a Final Decree.

8. Duties of the Debtor-in-possession:

- a. **Cash Collateral.** The Debtor-in-possession may not use cash collateral unless each entity that has an interest in such cash collateral consents; or the Court enters an Order authorizing its use. **Steps must be taken immediately to obtain approval by the Court.** Generally, cash collateral includes

any cash or cash equivalent subject to a security interest. The DIP and its attorney should refer to §363 of the Bankruptcy Code (11 U.S.C.).

- b. **Pre-Petition Debt.** The Debtor-in-Possession **may not pay debts incurred prior to the filing of the Petition**, including taxes, **unless authorized by the Court**. The Debtor-in-possession may not buy and sell merchandise, supplies and property except in the "ordinary course of business, necessary and essential for its operation." All purchases or sales may be for cash or for credit not to exceed thirty (30) days. Any purchases or sales not in the ordinary course of business must have Court approval.
- c. **Continuation of Business.** The Debtor-in-possession is authorized to continue in possession of the assets and effects of the business and to carry on normal business until further order of the Court. The Debtor-in-possession must identify designated individuals responsible for discharging the debtor's duties and for the preparation of financial reports (See Initial Report Exhibits 6 and 7).
- d. **Professionals.** The Debtor-in-possession shall obtain the Court's approval to retain attorneys, accountants, appraisers, auctioneers or other professional persons employed to assist the estate **prior to the commencement of employment.** *Pre-authorized services may be denied compensation.*
- e. **Credit or Debt.** The Debtor-in-possession shall obtain the Court's approval to obtain credit or

incur debt, other than in the ordinary course of business.

- f. **Cooperation.** The Debtor-In-Possession shall cooperate fully with the United States Trustee and and the Creditor's Committee towards the investigation of the Debtor-in-possession's acts and conduct, as well as the preparation and formulation of the Plan and Disclosure Statement.
- g. **No Delay.** The Debtor-in-possession shall avoid unnecessary delay in the administration of this case. The Debtor-in-possession is charged with the duty to report to the Court and creditors the soundness and desirability of continuation of the business and to take all necessary steps to prevent depletion or loss of assets during the pendency of these proceedings.
- h. **Receipt and Certification.** The Debtor-in-possession shall acknowledge receipt and understanding of the U. S. Trustee Operating Guidelines. (See Initial Report Exhibit 8)
- i. **Recovery of Transfers.** The Debtor-in-possession must avoid all unauthorized post-petition transfers, including payment to professionals without court permission, or other pre-petition debts and obligations.

9. **Circulation of Order, Notices and Reports.** With the exception of the Order for Meeting of Creditors, the Debtor-in-possession estate is responsible for circulation of all Orders to the United States Trustee and parties in interest. Notices of proposed actions by the Debtor-in-possession shall comply with B.R. 2002 and other applicable rules. The debtor-in-possession

shall serve copies of all reports and schedules to the United States Trustee and the Creditors' Committee or its attorney.

10. **Progress towards confirmation of a Plan.** The United States Trustee monitors all cases on a regular bases, and if it is apparent that no progress is being made toward the filing and confirmation of a Plan, the United States Trustee may request the Court to direct the Debtor-in-possession to appear and show cause why the case should not be dismissed or converted for prejudicial delay.

11. **Disclosure Statement and Plan.** Plain language without boiler-plate assertions will assist all creditors in understanding the Debtor-in-possession's proposals. The Disclosure Statement and Plan should be filed within 120 days of the case filing with a proposed notice of hearing. The hearing notice is to be sent to all parties but the proposed plan and disclosure statement is sent only to limited parties, as directed by B.R. 3017. After approval, the court will set the Plan for confirmation and the Debtor-in-possession shall mail to all creditors and parties in interest: Order for Hearing, Approved Disclosure Statement, Proposed Plan and a Ballot to be returned to the Debtor-in-possession. The Plan must state the following language:

"The [reorganized debtor or other responsible party] shall be responsible for the timely payment of disbursement fees incurred pursuant to 28 U.S.C. § 1930(a)(6). After confirmation, and until the case is closed by the Court, the [reorganized debtor or other responsible party] shall file with the Court and serve on the United States Trustee a financial report for each month (or portion thereof) the case remains open in a format prescribed by the United States Trustee."

12. **The United States Trustee Quarterly Fees.** The Quarterly fees shall be collected in accordance with 28 U.S.C. §1930(a)(6), until the case is closed. The amount of the fee varies depending upon the amount of money disbursed from the case during the calendar quarter; **however, a minimum fee of \$250 is due each quarter even if no disbursements are made.** The fee schedule is as follows:

<u>Disbursements</u>	<u>Fee</u>
Less than \$15,000	\$ 250
\$15,000 - \$74,999.99	500
\$75,000 - \$149,999.99	750
\$150,000 - \$224,999.99	1,250
\$225,000 - \$299,999.99	1,500
\$300,000 - \$999,999.99	3,750
\$1,000,000 - \$1,999,999.99	5,000
\$2,000,000 - \$2,999,999.99	7,500
\$3,000,000 - \$4,999,999.99	8,000
\$5,000,000 or more	10,000

OFFICE OF THE UNITED STATES TRUSTEE
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224 S. Boulder, Room 225
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(918) 581-6670
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NOTICE

DISCLOSURE OF INTENT TO USE TAXPAYER IDENTIFYING NUMBER FOR THE PURPOSE OF COLLECTING AND REPORTING DELINQUENT QUARTERLY FEES OWED TO THE UNITED STATES TRUSTEE PURSUANT TO 28 U.S.C. 1930(a)(6)

Please be advised that, pursuant to the Debt Collection Improvements Act of 1996, Public Law 104-134, Title III, § 31001(i)(3)(A), 110 Stat. 1321-365, codified at 31 U.S.C. § 3701, the United States Trustee intends to use the debtor's Taxpayer Identifying Number ("TIN") as reported by the debtor or debtor's counsel in connection with the chapter 11 bankruptcy proceedings for the purpose of collecting and reporting on any delinquent debt, including chapter 11 quarterly fees, that are owed to the United States Trustee.

The United States Trustee will provide the debtor's TIN to the Department of Treasury for its use in attempting to collect overdue debts. Treasury may take the following steps: (1) submit the debt to the Internal Revenue Service Offset Program so that the amount owed may be deducted from any payment made by the federal government to the debtor, including but not limited to tax refunds; (2) report the delinquency to credit reporting agencies, (3) send collection notices to the debtor, (4) engage private collection agencies to collect the debt, and (5) engage the United States Attorney's office to sue for collection. Collection costs will be added to the total amount of the debt.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE _____ DISTRICT OF OKLAHOMA

IN RE: _____)
) CASE NO.
) CHAPTER 11
EID/SS # _____)
)
Debtor.)

INITIAL REPORT

Comes Now, _____,
Debtor-in-possession, and hereby submits its Initial Report as
shown by the attached Exhibits consisting of _____ pages and
containing the following as indicated:

- ☐ Balance Sheet as of the date of the Order for Relief. **Exhibit 1.**
- ☐ Income Statement for the thirty (30) day period immediately preceding the date of the Order for Relief. **Exhibit 2.**
- ☐ Insurance, Tax and Cash Collateral Statements. **Exhibit 3.**
- ☐ Four (4) Month Projection of Financial Operations. **Exhibit 4.**
- ☐ Statement of Aged Receivables. **Exhibit 5.**
- ☐ Designation of Individual Responsible for Discharging Debtor's Duties. **Exhibit 6.**
- ☐ Designation of Individual Responsible for Financial Reports. **Exhibit 7.**
- ☐ Receipt and Certificate Concerning Operating Requirements. **Exhibit 8.**
- ☐ Debtor's Section 345 Bank Account Certificate. **Exhibit 9.**

Initial Report - Page 2 of 2

Case Name: _____

Case Number: _____

☐

Specimen Check (original, voided) for each DIP Account. **Exhibit 10.**

☐

Signature Card (copies) for each DIP Account. **Exhibit 11.**

☐

Last 2 years' Income Tax Returns (copies). **Exhibit 12.**

I DECLARE UNDER PENALTY OF PERJURY THAT THIS INITIAL REPORT AND ATTACHMENTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

DEBTOR(S) - IN-POSSESSION

DATE: _____

BY: _____

Name: _____

Title: _____

BY: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Exhibit 3 to Initial Report, Page 1 of 2

Case Name _____

Case Number _____

STATEMENT CONCERNING INSURANCE, TAXES
AND USE OF CASH COLLATERAL

I. INSURANCE

- A. Insurance is in effect and payments are current for coverage as indicated.

	<u>INSURANCE TYPE</u>	<u>POLICY EXPIRATION DATE</u>
<input type="checkbox"/>	Workers' Compensation	_____
<input type="checkbox"/>	Unemployment Insurance	_____
<input type="checkbox"/>	Casualty	_____
<input type="checkbox"/>	Liability	_____
<input type="checkbox"/>	Other	_____

- B. Attached hereto are Certificates of Insurance or other proof of insurance for the above.

II. TAXES

- A. **Post**-petition federal and state withholding and payroll taxes are/are not current.
- B. Delinquent post-petition taxes, if any, are as follows:

Federal Withholding _____

State Withholding _____

FICA _____

Other _____

Exhibit 3 to Initial Report, Page 2 of 2

Case Name _____

Case Number _____

(II. TAXES continued)

C. Pre-petition federal and state withholding and payroll taxes are/are not current. Pre-petition federal and state excise, sales taxes are/are not current. Delinquent pre-petition taxes, if any, are as follows:

Federal Withholding _____

State Withholding _____

FICA _____

Federal Excise Tax _____

State Excise Tax _____

Sales Tax _____

III. CASH COLLATERAL

- A. Cash collateral will/will not be necessary to fund Debtor's post-petition operations.
- B. Debtor has/has not filed a request for use of cash collateral under 11 U.S.C. § 363 or § 364.
- C. Identity of Cash Collateral.

PROPERTY

CREDITOR

MONTHLY PAYMENT

Exhibit 4 to Initial Report

Case Name _____

Case Number _____

FOUR MONTH PROJECTION OF FINANCIAL OPERATIONS

	<u>MONTH</u>	<u>MONTH</u>	<u>MONTH</u>	<u>MONTH</u>	
<u>INCOME</u>					
<u>Source</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Total</u>
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____
Total	_____	_____	_____	_____	_____
<u>EXPENSES</u>					
Cost of Sales	_____	_____	_____	_____	_____
Salaries	_____	_____	_____	_____	_____
Taxes	_____	_____	_____	_____	_____
Insurance	_____	_____	_____	_____	_____
Rent	_____	_____	_____	_____	_____
Other (itemize)	_____	_____	_____	_____	_____
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
Total	_____	_____	_____	_____	_____
PROJECTED NET INCOME (LOSS)	_____	_____	_____	_____	_____

Exhibit 5 to Initial Report

Case Name _____

Case Number _____

STATEMENT OF AGED ACCOUNTS RECEIVABLE

Account	Total	Current	Past	Past	Past	Past
<u>Name</u>	<u>Due</u>	<u> </u>	<u>Due</u>	<u>Due</u>	<u>Due</u>	<u>Due</u>
		(0-30)	(31-60)	(61-90)	(91-120)	>120

TOTAL _____

Designate with (*) if due from insiders

Exhibit 6 to Initial Report

Case Name _____
Case Number _____

**DESIGNATION AND ACCEPTANCE OF INDIVIDUAL
RESPONSIBLE FOR DISCHARGING DEBTOR'S DUTIES**

The Debtor(s)-in-possession in the above and foregoing case hereby designates _____, as provided under F.R.B.P. 9001(5), as the individual responsible for discharging the duties of the debtor under 11 U.S.C. §1107 and as may be required by the Court or by the United States Trustee.

DEBTOR(S) -IN-POSSESSION

DATE: _____

BY: _____
Name: _____
Title: _____
BY: _____
Name: _____
Title: _____
Address: _____

Telephone: _____

ACCEPTED

DATE: _____

BY: _____
Name: _____
Title: _____
Address: _____

Telephone: _____

Exhibit 7 to Initial Report

Case Name _____
Case Number _____

DESIGNATION AND ACCEPTANCE OF
INDIVIDUAL RESPONSIBLE FOR PREPARATION OF
FINANCIAL REPORTS FOR DEBTOR-IN-POSSESSION

The Debtor(s)-in-possession in the above and foregoing case hereby designates _____, as provided under Bankruptcy Rule 9001(5), as the individual responsible for the preparation of all financial reports as required by the Court or by the United States Trustee.

DEBTOR(S) -IN-POSSESSION

DATE: _____

BY: _____

Name: _____

Title: _____

BY: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

ACCEPTED

DATE: _____

BY: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

Exhibit 8 to Initial Report

Case Name _____
Case Number _____

RECEIPT AND CERTIFICATION

The undersigned representative (designated in Exhibit 6 to Initial Report) responsible for discharging the duties of the Debtor(s) in the above and foregoing case acknowledges receipt from the United States Trustee of the Operating Guidelines for Chapter 11 Debtors-in-possession. The undersigned hereby certifies that he or she has read and understood the contents therein and agrees to operate the Debtor's business and file reports in accordance with said requirements.

INDIVIDUAL RESPONSIBLE FOR
DISCHARGING DEBTOR'S DUTIES

DATE: _____

Name: _____
Title: _____
Address: _____

Telephone: _____

The undersigned as counsel for the Debtor(s) has read and reviewed the U.S. Trustee Operating Guidelines with the Debtor(s) and the individual responsible for discharging the duties of the debtor designated in Exhibit 6 to Initial Report.

DATE: _____

BY: _____
Counsel for the Debtor

Exhibit 9 to Initial Report, Page 1 of 2

Case Name _____
Case Number _____

DEBTOR'S SECTION 345 CERTIFICATE

The following information reflects a true and accurate accounting of the Debtor's bank accounts and other cash deposits in any form with any institution. I understand that it is the Debtor-in-possession's responsibility to comply with 11 U.S.C. §345 so that all funds of the estate are fully insured at all times, and I understand separate "Debtor-in-possession" accounts are to be maintained which include a General (Operating) Account and a Tax Account (if applicable, a Payroll Account and a Personal Account.

The following information represents the balances of all Debtor's bank accounts as of the date of this Initial Report:

DEBTOR-IN-POSSESSION ACCOUNTS

<u>Institution</u>	<u>Account Number</u>	<u>Opening Balance</u>	<u>Current Balance</u>	<u>Date Opened</u>
--------------------	---------------------------	----------------------------	----------------------------	------------------------

The following information represents the balances of all Debtor's bank accounts as of the date the petition was filed:

PRE-PETITION ACCOUNTS

<u>Institution</u>	<u>Account Number</u>	<u>Balance at Peti- tion Date</u>	<u>Current Balance</u>	<u>Date Closed</u>
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Exhibit 9 to Initial Report, Page 2 of 2

CASE NAME: _____

CASE NUMBER: _____

The undersigned, Debtor-in-possession, certifies that the above financial institution with whom estate funds are deposited has been informed that the U. S. Trustee Office requests that the depository submit, on a monthly basis, a report indicating the total amount credited to each bankruptcy estate account at the end of each month from the date relief is granted until the date the case is dismissed, converted or a plan is confirmed.

DEBTOR(S) - IN-POSSESSION:

BY: _____

Name: _____

Title: _____

BY: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

GENERAL INSTRUCTIONS

1. Line and column references are used throughout the instructions to point to specific pieces of information. Lines are identified by numbers, and column references can easily be determined by counting the number of columns from left to right.
2. The case name and case number must be identified at the top of each page of the Monthly Operating Report.
3. For the schedules at MOR-1, MOR-2, MOR-3 and MOR-4, there are three columns titled "Month." The first "Month" column should be used to report information for the first month of the calendar quarter; the second for the second month of the calendar quarter; and the third for the third month of the calendar quarter.

Also, at MOR-2 and MOR-3 there is a column titled "Quarter Total." This column should be completed only at the last month of the calendar quarter. Its value will be the sum of the monthly amounts added horizontally by line. If the filing of the bankruptcy occurred in either the second or third month of the calendar quarter, this column may only be the sum of the second and/or third months, as the first "month" column would not have been completed.

4. Cross-references are between corresponding reporting periods, unless otherwise noted.
5. All negative amounts must be shown in brackets.
6. All questions and schedules must be read carefully, and any questions should be discussed with counsel for the debtor.

COVER/SIGNATURE PAGE

The cover/signature page (MOR) for the Monthly Operating Report must accompany each month's submission. The form requires the signature of the person having responsibility for the chapter 11 filing (e.g., in a corporate case, the president or chief operating officer; in a limited partnership, the general partner), as well as the signature of the preparer (if other than the responsible party). The preparer may be an employee of the debtor, such as a chief financial officer, or a non-employee, such as an outside accountant. Both the responsible party and the preparer sign the report under penalty of perjury.

MOR-1, COMPARATIVE BALANCE SHEET

The Comparative Balance Sheet presents a "snap shot" of the assets and liabilities of the debtor in possession at a specific point in time. It must be prepared utilizing the accrual basis of accounting. Asset values appearing in column #2, Schedule Amount, should agree with values appearing on the Schedules of Assets and Liabilities filed with the Bankruptcy Court. In the "Month" columns, the asset values should be listed at book value, rather than current market or replacement values. Thus, to the extent that the Schedules were prepared on some valuation other than book value, the amounts in the "Schedule Amount" column might not be comparable to the amounts reported in the "Month" columns.

NOTE: Column 2, Schedule Amount, should remain the same for each monthly report.

ASSETS

For Lines 1 through 9, do not include short term (due in less than one year) amounts due from insiders of the debtor, as such amounts should be included on Line 13.

Line 1 - Unrestricted Cash

Enter the amount of cash available at the end of the reporting period that is not subject to any legal limitations and that is available to fund current operations. This should include cash on hand, petty cash and cash in registers, as well as cash in bank accounts.

Line 2 - Restricted Cash

Enter the amount of cash that is considered restricted and not available to fund current operations. An example of restricted cash is funds held by the debtor in an escrow account from the sale of assets, with further disbursements available only upon court order.

Line 3 - Total Cash

SUBTOTAL: Add Line 1 and Line 2 and enter the sum. This amount should agree with the amount shown on MOR-3, Line 33; and MOR-5, Line 14.

Line 4 – Accounts Receivable (Net)

Enter the net amount as determined by deducting the allowance for uncollectible accounts receivable from the gross amount of accounts receivable, both prepetition and postpetition. This amount should agree with the amount shown in the Accounts Receivable Aging schedule at MOR-4, Line 7. Do not include notes receivable, as such amounts should be reported on Line 6.

Line 5 – Inventory

Enter the value of inventory using the book value at the end of the reporting period.

Line 6 – Notes Receivable

Enter the amount of all short term notes receivable which are due to the debtor within one year. Do not include long term notes receivable, as such amounts should be reported on Line 15.

Line 7 – Prepaid Expenses

Enter the amount of expenses paid in advance of actual service. Examples include prepayment of insurance and retainers for professional services.

Line 8 – Other (Attach List)

Enter the amount of any other current assets. Attach an itemized list.

Line 9 – Total Current Assets

TOTAL: Add Lines 3 through 8 and enter the sum.

Line 10 – Property, Plant & Equipment

Enter the gross amount of property, plant and equipment, including real estate, furniture, fixtures, manufacturing equipment, buildings, automobiles and trucks. These items should be valued at historical cost, not current market value.

Line 11 – Less: Accumulated Depreciation/Depletion

Enter the amount of the accumulated depreciation/depletion taken on the assets included on Line 10. Enter the amount used for financial reporting purposes, as opposed to the amount used for tax purposes, as a negative.

Line 12 – Net Property, Plant & Equipment

SUBTOTAL: Subtract Line 11 from Line 10 and enter the amount.

Line 13 – Due From Insiders

Enter the amount, both short and long term, which is due from insiders of the debtor.
Note: The short term (due in less than one year) portion of this amount should have been excluded from the current assets section (Lines 1-9) and reported only in this section.
"Insiders" is defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code.

Line 14 – Other Assets – Net of Amortization (Attach List)

Enter the value of all other assets not included in any of the above entries, which are being amortized. Examples include goodwill, syndication costs and patents. Attach an itemized list.

Line 15 – Other (Attach List)

Enter the value of all other assets not included in any of the above entries. Attach an itemized list.

Line 16 – Total Assets

TOTAL: Add Line 9 and Lines 12 through 15 and enter the sum. _____

POSTPETITION LIABILITIES

NOTE: Do not enter any amounts in Column 2, Schedule Amount, for Lines 17-23.

Line 17 – Accounts Payable

Enter the month ending balance of accounts payable that were incurred after the date of the bankruptcy filing. This amount should agree with the amount shown on the Aging of Postpetition Taxes and Payables schedule at MOR-4, Line 6, Column 6.

Line 18 – Taxes Payable

Enter the month ending balance of all taxes payable that were incurred after the date of the bankruptcy filing. Further itemization for taxes payable is required on MOR-4. The amount reported here should agree with the amount reported on the Aging of Postpetition Taxes and Payables schedule at MOR-4, Line 5, Column 6; and on the Status of Postpetition Taxes schedule at MOR-4, Line 16, Column 5.

Line 19 – Notes Payable

Enter the amount of indebtedness which is in the form of written promissory notes and which was acquired after the date of the bankruptcy filing that is outstanding as of the end of the reporting period.

Line 20 – Professional Fees

Enter the amount of professional fees incurred after the date of the bankruptcy filing, but which remain outstanding as of the end of the reporting period. This will, in most cases, require estimates by the debtor. Include all accrued professional fees, regardless of whether fee applications have been filed with the court. The amount reported here should agree with the amount reported on the Payments to Professionals schedule at MOR-6, Line 6, Column 6.

Line 21 – Secured Debt

Enter the amount of secured debt obligations incurred after the date of the bankruptcy filing, but which remain outstanding as of the end of the reporting period.

Line 22 – Other (Attach List)

Enter the amount of other accrued liabilities incurred after the date of the bankruptcy filing which were not included in any of the above entries. Attach an itemized list. Examples include accrued payroll and accrued interest.

Line 23 – Total Postpetition Liabilities

SUBTOTAL: Add Lines 17 through 22 and enter the sum.

PREPETITION LIABILITIES**Line 24 – Secured Debt**

Enter the amount of all prepetition secured debts which remain due and outstanding as of the end of the reporting period.

Line 25 – Priority Debt

Enter the amount of all prepetition priority debts which remain outstanding as of the end of the reporting period.

Line 26 – Unsecured Debt

Enter the amount of all prepetition unsecured debts which remain outstanding as of the end of the reporting period.

Line 27 – Other (Attach List)

Enter the amount of other prepetition debts which remain outstanding as of the end of the reporting period and which were not included in any of the above entries.

Line 28 – Total Prepetition Liabilities

SUBTOTAL: Add Lines 24 through 27 and enter the sum.

Line 29 – Total Liabilities

TOTAL: Add Line 23 and Line 28 and enter the sum.

EQUITY

NOTE: Do not enter any amounts in Column 2, Schedule Amount, Lines 30–34.

Line 30 – Prepetition Owners' Equity

Enter the amount of prepetition owners' equity as of the filing date. This amount should remain the same for each reporting period.

Line 31 – Postpetition Cumulative Profit or (Loss)

Enter the amount of cumulative profit or loss from the filing date through the end of the reporting period. This amount should agree with the cumulative amount shown on MOR-2, Line 28, since the filing of the bankruptcy.

Line 32 – Direct Charges to Equity (Attach Explanation)

Enter the amount of items not included in the profits or losses reported on Line 31. Attach an explanation for each amount included in this total.

Line 33 - Total Equity

TOTAL: Add Lines 30 through 32 and enter the sum.

Line 34 - Total Liabilities & Owners' Equity

TOTAL: Add Line 29 and Line 33 and enter the sum.

MOR-2, INCOME STATEMENT

The Income Statement reflects actual operating results for the period covered by the report. Only postpetition information is to be included. Thus, if the filing occurs mid-month, this form should include information only from the date of the filing to the end of that month. This form must be prepared utilizing the accrual basis of accounting.

REVENUES

Line 1 - Gross Revenues

Enter the amount of gross sales for the reporting period.

Line 2 - Less: Returns & Discounts

Enter the amount of such items as returned sales, rebates and allowances from the sales price. This is a negative number and should be shown in brackets.

Line 3 - Net Revenue

SUBTOTAL: Subtract Line 2 from Line 1 and enter the amount.

COST OF GOODS SOLD

If the debtor engages in a business in which the production, purchase or sale of merchandise is an income producing factor, enter the costs for producing the products on Lines 4, 5 and 6. Do not include indirect costs, as such amounts should be included on Lines 9 through 13. Also, do not include depreciation/depletion or amortization, as such amounts should be reported on Lines 19 and 20, respectively.

Line 4 – Material

Enter the material costs directly related to the costs of goods sold.

Line 5 – Direct Labor

Enter the labor costs directly related to the costs of goods sold.

Line 6 – Direct Overhead

Enter the overhead costs directly related to the costs of goods sold.

Line 7 – Total Cost of Goods Sold

SUBTOTAL: Add Lines 4 through 6 and enter the sum.

Line 8 – Gross Profit

TOTAL: Subtract Line 7 from Line 3 and enter the amount.

OPERATING EXPENSES

Line 9 – Officer/Insider Compensation

Enter the amount of compensation pertaining to individuals identified as officers or insiders, as defined in §101(31)(A)–(F) of the U.S. Bankruptcy Code.

Line 10 – Selling & Marketing

Enter the operating costs incurred for the selling and marketing of the product(s). Examples include sales commissions, advertising and other administrative costs relating to sales and marketing.

Line 11 – General & Administrative

Enter the operating costs, other than the cost of goods sold and other than costs incurred for selling and marketing. Examples include office support staff payroll, office supplies and utility costs unrelated to production.

Line 12 – Rent & Lease

Enter the aggregate costs for renting and leasing both real and personal property. Examples include costs for leasing the facility or specific pieces of equipment and auto leases.

Line 13 – Other (Attach List)

Enter the amount of other operating costs which were not included in any of the above entries. Attach an itemized list.

Line 14 – Total Operating Expenses

SUBTOTAL: Add Lines 9 through 13 and enter the sum.

Line 15 – Income Before Non-Operating Income & Expense

TOTAL: Subtract Line 14 from Line 8 and enter the amount.

OTHER INCOME & EXPENSES

Line 16 – Non-Operating Income (Attach List)

Enter the amount of non-operating income earned for the period. Examples include interest and gains from sales of assets. Gain or loss is calculated by the difference in the net proceeds less the net book value (or original purchase price less accumulated depreciation) of the asset sold. Attach an itemized list.

NOTE: Court approval is required before any estate asset can be sold outside the ordinary course of operations. Any questions concerning this requirement should be discussed with counsel. An itemized list of the assets, the dollar amount of the sale and the date of the court order authorizing the sale must be attached.

Line 17 – Non-Operating Expense (Attach List)

Enter the amount of non-operating expenses, excluding interest, incurred during the reporting period. Attach an itemized list.

Line 18 – Interest Expense

Enter the amount of interest expense incurred during the reporting period.

Line 19 – Depreciation/Depletion

Enter the amount of depreciation or depletion allocable to the reporting period.

Line 20 – Amortization

Enter the amount of amortization allocable to the reporting period.

Line 21 – Other (Attach List)

Enter the net gain (loss) from other non-operating income or expenses which were not included in any of the above entries. Attach an itemized list.

Line 22 – Net Other Income & Expenses

SUBTOTAL: Compute the sum of Lines 16 through 21, adding positive numbers and subtracting negative numbers, and enter the amount.

REORGANIZATION EXPENSES

Line 23 – Professional Fees

Enter the amount of professional fees incurred during the reporting period. Include all fees accrued, whether or not they have been submitted to and/or approved by the court. The debtor will, in most instances, be required to make estimates when completing this line.

Line 24 – U.S. Trustee Fees

Enter the amount of quarterly fees accrued during the reporting period.

Line 25 - Other (Attach List)

Enter the amount of other expenses incurred which are directly attributable to the bankruptcy proceedings. Examples include the rejection of executory contracts, lease terminations, losses from discontinued operation, filing fees and consulting fees for non-professionals. Attach an itemized list.

Line 26 - Total Reorganization Expenses

SUBTOTAL: Add Lines 23 through 25 and enter the sum.

Line 27 - Income Tax

Enter the amount of accrued income tax expense or benefit for the reporting period.

Line 28 - Net Profit (Loss)

TOTAL: Subtract the sum of Line 26 and Line 27 from the sum of Line 15 and Line 22, and enter the amount.

MOR-3, CASH RECEIPTS AND DISBURSEMENTS

The Cash Receipts and Disbursements schedule reflects cash flow for the period covered by the report. It must be prepared utilizing the cash basis of accounting. Thus, the total cash as of the beginning of the month (Line 1) and as of the end of the month (Line 33) should reconcile to the cash reported on the Comparative Balance Sheet, MOR-1, Line 3; and to the Bank Reconciliations schedule, MOR-5, Line 14.

Line 1 - Cash - Beginning of Month

Enter the amount of cash at the beginning of the reporting period. The amount reported here should agree with the amount reported for the prior month at MOR-1, Line 3.

RECEIPTS FROM OPERATIONS

Line 2 - Cash Sales

Enter the amount of cash receipts collected from new sales during the reporting period.

COLLECTION OF ACCOUNTS RECEIVABLE

Line 3 – Prepetition

Enter the amount of cash receipts collected during the reporting period from receivables which arose prior to the petition filing date.

Line 4 – Postpetition

Enter the amount of cash receipts collected during the reporting period from receivables which arose after the petition filing date.

Line 5 – Total Operating Receipts

SUBTOTAL: Add Lines 2 through 4 and enter the sum.

NON-OPERATING RECEIPTS

Line 6 – Loans & Advances (Attach List)

Enter the amount of cash received from all loans and advances during the reporting period. Attach an itemized list. Include any amounts received from insiders.

Line 7 – Sale of Assets

Enter the amount of cash receipts received during the reporting period that were generated from the sale of assets outside the ordinary course of business.

NOTE: Court approval is required before any estate asset can be sold outside the ordinary course of operations. Any questions concerning this requirement should be discussed with counsel.

Line 8 – Other (Attach List)

Enter the amount of all other cash receipts which were not included in any of the above entries. Examples include interest actually received, royalty payments and refunds/rebates on insurance policies.

Line 9 – Total Non-Operating Receipts

SUBTOTAL: Add Lines 6 through 8 and enter the sum.

Line 10 - Total Receipts

SUBTOTAL: Add Line 5 and Line 9 and enter the sum.

Line 11 - Total Cash Available

SUBTOTAL: Add Line 1 and Line 10 and enter the sum.

OPERATING DISBURSEMENTS

Lines 12-25

Enter the amount of cash disbursements made during the reporting period, as categorized by the appropriate line items. Enter only the actual amounts paid, not the amount of accrued expenses.

Line 12 - Net Payroll

Enter the amount of gross payroll minus all deductions. This equals the net amount actually paid to employees.

Line 13 - Payroll Taxes Paid

and

Line 14 - Sales, Use & Other Taxes Paid

The sum of the amounts listed on Lines 13 and 14 should equal the amount reported on the Status of Postpetition Taxes schedule at MOR-4, Line 16, Column 4.

Line 15 - Secured/Rental/Leases

Enter the aggregate amount of payments made to secured creditors (including adequate protection payments) and payments on all leases, for both personal and real property.

NOTE: This amount is itemized on the Postpetition Status of Secured Notes, Leases Payable and Adequate Protection Payments schedule at MOR-6, and should agree with the amount shown on Line 6, Column 3, of that form.

Line 25 – Other (Attach List)

Enter the amount of other cash disbursements which were not included in any of the above entries. Attach an itemized list.

Line 26 – Total Operating Disbursements

SUBTOTAL: Add Lines 12 through 25 and enter the sum.

REORGANIZATION EXPENSES

Line 27 – Professional Fees

Enter the aggregate amount paid (including fees and expenses) during the reporting period for the services of professionals, including work for legal services, accounting services, brokerage/auctioneer services, consulting services, etc.

NOTE: This amount is itemized on the Payments to Professionals schedule at MOR-6, and should agree with the amount reported on Line 6, Column 4, of that form.

Line 28 – U.S. Trustee Fees

Enter the amount paid to the U.S. Trustee for the statutory chapter 11 quarterly fees.

Line 29 – Other (Attach List)

Enter the amount of all other expenses paid during the reporting period which were directly attributable to the bankruptcy proceeding and which were not included in any of the above entries.

Line 30 – Total Reorganization Expenses

SUBTOTAL: Add Lines 27 through 29 and enter the sum.

Line 31 – Total Disbursements

SUBTOTAL: Add Line 26 and Line 30 and enter the sum.

Line 32 – Net Cash Flow

SUBTOTAL: Subtract Line 31 from Line 10 and enter the amount.

Line 33 - Cash - End of Month

TOTAL: Subtract Line 31 from Line 11 and enter the amount. This amount should agree with the amount reported on MOR-1, Line 3.

**MOR-4, ACCOUNTS RECEIVABLE AGING,
AGING OF POSTPETITION TAXES AND PAYABLES
AND STATUS OF POSTPETITION TAXES**

ACCOUNTS RECEIVABLE AGING

This schedule should account for all receivables, including both prepetition and postpetition amounts.

Lines 1 through 4

Enter the gross amounts of receivables which came due in the respective time frames listed.

Line 5 - Total Accounts Receivable

SUBTOTAL: Add Lines 1 through 4 and enter the sum.

Line 6 - Amount Considered Uncollectible

Enter the amount of receivables considered uncollectible.

Line 7 - Accounts Receivable (Net)

TOTAL: Subtract Line 6 from Line 5 and enter the amount. This amount should agree with the amount reported on MOR-1, Line 4.

AGING OF POSTPETITION TAXES AND PAYABLES

This schedule provides an itemization and aging of postpetition taxes, as well as an aging schedule of postpetition accounts payable. The information requested is self-explanatory.

Line 5 – Total Taxes Payable

TOTAL: Add Lines 1 through 4 and enter the sum for each column. The amount reported in Column 6 should agree with the amount reported on MOR-1, Line 18.

Line 6 – Accounts Payable

The amount reported in Column 6 should agree with the amount reported on MOR-1, Line 17.

STATUS OF POSTPETITION TAXES

This schedule details the status of postpetition taxes. Specifically, the form contains five columns designed to show the changes in each of the various tax liabilities during the reporting period. The Ending Tax Liability, Column 5, is calculated as follows:

$$(\text{Beginning Tax Liability} + \text{Amounts Withheld and/or Accrued}) - (\text{Amount Paid}) = \text{Ending Tax Liability}$$

The information requested otherwise is self-explanatory. The Total Ending Tax Liability (Line 16, Column 5) should agree with the amount reported on MOR-1, Line 18. The Total Amount Paid (Line 16, Column 4) should agree with the sum of Line 13 and Line 14, MOR-3.

MOR-5, BANK RECONCILIATIONS, INVESTMENT ACCOUNTS AND CASH

The Bank Reconciliations schedule reconciles all bank accounts, comparing the amounts reported on the monthly bank statements to the amounts reflected in the debtor's books. This schedule has columns for three separate bank accounts (Columns 2, 3 and 4), as well as a column for the total of all accounts (Column 5). Additional copies of this form

should be used if the debtor has more than three bank accounts. Lines A, B and C should identify the name of the bank, the account number and the purpose or type of account (e.g., operating account, payroll, tax, etc.). The line item requests are self-explanatory.

The Investment Accounts schedule reflects all investment accounts held by the debtor. Up to four accounts can be reported on this schedule; additional copies of this form should be used if the debtor has more than four investment accounts. In Column 1 of this schedule, each investment account should be itemized to include the name of the bank, the account name and the account number. The remaining columns are self-explanatory.

The Cash schedule reflects the amount of all currency on hand (i.e., funds which are not in a depository institution). An example is a petty cash fund.

To obtain the figure to be reported on Line 14, add the amounts shown at Line 5, Column 5; Line 12, Column 5; and Line 13. This total should agree with the amount reported on MOR-1, Line 3.

**MOR-6, PAYMENTS TO INSIDERS AND PROFESSIONALS
AND POSTPETITION STATUS OF SECURED NOTES,
LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

This form is separated into three schedules: payments to insiders, payments to professionals, and the postpetition status of secured notes, leases payable and adequate protection payments.

PAYMENTS TO INSIDERS AND PROFESSIONALS

Insiders

The schedule for payments to insiders itemizes all payments to insiders made during the postpetition period. For each insider, provide the following information.

Column 1: Itemize the names of the insiders who have been paid during the postpetition period. Up to five entries can be recorded on this schedule; additional copies of this form should be used if the debtor has more than five entries.

Column 2: Explain the type of payment (e.g., salary, bonus, commissions, car allowances, etc.).

Column 3: Enter the amount actually paid during the reporting period.

Column 4: Enter the aggregate amount paid during the postpetition period.

Professionals

The schedule for payments to professionals reports payments which have been paid and/or accrued during the postpetition period for professionals. For each professional, provide the following information.

Column 1: Itemize the names of the professionals. Up to five entries can be recorded on this schedule; additional copies of this form should be used if the debtor has more than five entries.

Column 2: Enter the date(s) of the court order(s) authorizing the professional fees which were paid by the debtor during the reporting period.

Column 3: Enter the amount of all professional fees approved by the court during the reporting period.

Column 4: Enter the amount of professional fees actually paid during the reporting period.

The amount reported on Line 6, Column 4, should agree with the amount reported on MOR-3, Line 27.

Column 5: Enter the aggregate amount paid during the postpetition period.

Column 6: Enter the aggregate fees which have been incurred by the debtor during the postpetition period, but which remain unpaid as of the end of the reporting period. Include all fees incurred, whether or not they have been submitted to and/or approved by the court. The debtor will, in most instances, be required to make estimates when completing this column.

The amount reported on Line 6, Column 6, should agree with the amount reported on MOR-1, Line 20.

**POSTPETITION STATUS OF SECURED NOTES,
LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS**

This schedule itemizes certain liabilities. The form provides an analysis of whether the debtor is current on its required payments to secured creditors and lessors (including landlords). For each creditor, provide the following information.

Column 1: Itemize all secured creditors, leases and rental agreements. Up to five entries can be recorded on this schedule; additional copies of this form should be used if the debtor has more than five entries.

Column 2: Enter the amount of the normal, scheduled monthly payment due, such as monthly rental fees or court approved adequate protection payments.

Column 3: Enter the amount paid during the reporting period.

The total of this column shown on Line 6 should agree with the amount reported on MOR-3, Line 15.

Column 4: Enter the aggregate amount of the unpaid, postpetition obligations which are due as of the end of the reporting period.

MOR-7, QUESTIONNAIRE AND INSURANCE

MOR-7 requires basic information about the debtor's assets and the debtor's insurance coverage.

The questionnaire portion is self-explanatory. For questions with affirmative responses, further explanation is required in the space provided or on additional sheets, if necessary.

Insurance

Questions 1 and 2 are self-explanatory. For questions with "No" responses, further explanation is required in the space provided or on additional sheets, if necessary.

Question 3 requires the itemization of the following information regarding installment payments for insurance coverage.

- | | | |
|---------------------------------------|---|--|
| Type of Policy | - | Explain the nature of the insurance coverage, e.g., workmen's compensation, fire and theft, casualty, auto, etc. |
| Carrier | - | Identify the name of the company and the agent that provide the insurance coverage. |
| Period Covered | - | Enter the beginning and expiration dates of the insurance policy, e.g., for a policy that provides yearly coverage show the start date (say 6/1/XX) to the end date (5/31 of the following year). |
| Payment Amount & Frequency | - | Enter the amount of the installment payments, as well as the frequency with which such payments are required, e.g., for a policy which provides coverage from 6/1/XX to 5/31/XX and requires monthly payments of \$100, state "\$100/month." |

CASE NAME:
CASE NUMBER:
JUDGE:

ACCRUAL BASIS

02/13/95

UNITED STATES BANKRUPTCY COURT

_____ DISTRICT OF _____

_____ DIVISION

MONTHLY OPERATING REPORT

MONTH ENDING: _____, 199_____

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING MONTHLY OPERATING REPORT (ACCRUAL BASIS- 1 THROUGH ACCRUAL BASIS- 7) AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE. DECLARATION OF THE PREPARER (OTHER THAN RESPONSIBLE PARTY): IS BASED ON ALL INFORMATION OF WHICH PREPARER HAS ANY KNOWLEDGE.

RESPONSIBLE PARTY:

ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

PRINTED NAME: _____

ADDRESS: _____

TELEPHONE NUMBER: _____

TITLE

DATE

PREPARER:

ORIGINAL SIGNATURE OF PREPARER

PRINTED NAME: _____

ADDRESS: _____

TELEPHONE NUMBER: _____

TITLE

DATE

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 1

02/13/95

COMPARATIVE BALANCE SHEET

ASSETS	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. UNRESTRICTED CASH				
2. RESTRICTED CASH				
3. TOTAL CASH				
4. ACCOUNTS RECEIVABLE (NET)				
5. INVENTORY				
6. NOTES RECEIVABLE				
7. PREPAID EXPENSES				
8. OTHER (ATTACH LIST)				
9. TOTAL CURRENT ASSETS				
10. PROPERTY, PLANT & EQUIPMENT				
11. LESS: ACCUMULATED DEPRECIATION / DEPLETION				
12. NET PROPERTY, PLANT & EQUIPMENT				
13. DUE FROM INSIDERS				
14. OTHER ASSETS - NET OF AMORTIZATION (ATTACH LIST)				
15. OTHER (ATTACH LIST)				
16. TOTAL ASSETS				
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE				
18. TAXES PAYABLE				
19. NOTES PAYABLE				
20. PROFESSIONAL FEES				
21. SECURED DEBT				
22. OTHER (ATTACH LIST)				
23. TOTAL POSTPETITION LIABILITIES				
PREPETITION LIABILITIES				
24. SECURED DEBT				
25. PRIORITY DEBT				
26. UNSECURED DEBT				
27. OTHER (ATTACH LIST)				
28. TOTAL PREPETITION LIABILITIES				
29. TOTAL LIABILITIES				
EQUITY				
30. PREPETITION OWNERS' EQUITY				
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)				
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)				
33. TOTAL EQUITY				
34. TOTAL LIABILITIES & OWNERS' EQUITY				

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 2

02/13/95

INCOME STATEMENT

	MONTH	MONTH	MONTH	QUARTER TOTAL
REVENUES				
1. GROSS REVENUES				
2. LESS: RETURNS & DISCOUNTS				
3. NET REVENUE				
COST OF GOODS SOLD				
4. MATERIAL				
5. DIRECT LABOR				
6. DIRECT OVERHEAD				
7. TOTAL COST OF GOODS SOLD				
8. GROSS PROFIT				
OPERATING EXPENSES				
9. OFFICER / INSIDER COMPENSATION				
10. SELLING & MARKETING				
11. GENERAL & ADMINISTRATIVE				
12. RENT & LEASE				
13. OTHER (ATTACH LIST)				
14. TOTAL OPERATING EXPENSES				
15. INCOME BEFORE NON- OPERATING INCOME & EXPENSE				
OTHER INCOME & EXPENSES				
16. NON- OPERATING INCOME (ATT. LIST)				
17. NON- OPERATING EXPENSE (ATT. LIST)				
18. INTEREST EXPENSE				
19. DEPRECIATION / DEPLETION				
20. AMORTIZATION				
21. OTHER (ATTACH LIST)				
22. NET OTHER INCOME & EXPENSES				
REORGANIZATION EXPENSES				
23. PROFESSIONAL FEES				
24. U.S. TRUSTEE FEES				
25. OTHER (ATTACH LIST)				
26. TOTAL REORGANIZATION EXPENSES				
27. INCOME TAX				
28. NET PROFIT (LOSS)				

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 3

02/13/95

CASH RECEIPTS AND DISBURSEMENTS	MONTH	MONTH	MONTH	QUARTER TOTAL
1. CASH - BEGINNING OF MONTH				
RECEIPTS FROM OPERATIONS				
2. CASH SALES				
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION				
4. POSTPETITION				
5. TOTAL OPERATING RECEIPTS				
NON - OPERATING RECEIPTS				
6. LOANS & ADVANCES (ATTACH LIST)				
7. SALE OF ASSETS				
8. OTHER (ATTACH LIST)				
9. TOTAL NON- OPERATING RECEIPTS				
10. TOTAL RECEIPTS				
11. TOTAL CASH AVAILABLE				
OPERATING DISBURSEMENTS				
12. NET PAYROLL				
13. PAYROLL TAXES PAID				
14. SALES, USE & OTHER TAXES PAID				
15. SECURED / RENTAL / LEASES				
16. UTILITIES				
17. INSURANCE				
18. INVENTORY PURCHASES				
19. VEHICLE EXPENSES				
20. TRAVEL				
21. ENTERTAINMENT				
22. REPAIRS & MAINTENANCE				
23. SUPPLIES				
24. ADVERTISING				
25. OTHER (ATTACH LIST)				
26. TOTAL OPERATING DISBURSEMENTS				
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES				
28. U.S. TRUSTEE FEES				
29. OTHER (ATTACH LIST)				
30. TOTAL REORGANIZATION EXPENSES				
31. TOTAL DISBURSEMENTS				
32. NET CASH FLOW				
33. CASH - END OF MONTH				

ACCRUAL BASIS- 3A

PAGE _____ OF _____

02/13/95

CASH DISBURSEMENTS DETAIL

(ATTACH ADDITIONAL SHEETS IF NECESSARY)

MONTH: _____

CASH DISBURSEMENTS			
DATE	PAYEE	PURPOSE	AMOUNT
1. TOTAL CASH DISBURSEMENTS			

[illegible]

TOTAL DISBURSEMENTS FOR THE MONTH (1. + 2.)	
1.	2.

* Transfers between accounts should be subtracted from Total Bank Account Disbursements, i.e., a check written from the general account to the payroll account or tax account. Likewise, checks written for cash or petty cash should be subtracted and shown as cash disbursements in item 1.

CASE NAME:

ACCRUAL BASIS- 4

CASE NUMBER:

02/13/95

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH	MONTH	MONTH
1. 0- 30				
2. 31- 60				
3. 61- 90				
4. 91+				
5. TOTAL ACCOUNTS RECEIVABLE				
6. AMOUNT CONSIDERED UNCOLLECTIBLE				
7. ACCOUNTS RECEIVABLE (NET)				

AGING OF POSTPETITION TAXES AND PAYABLES

MONTH: _____

TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL
1. FEDERAL					
2. STATE					
3. LOCAL					
4. OTHER (ATTACH LIST)					
5. TOTAL TAXES PAYABLE					
6. ACCOUNTS PAYABLE					

STATUS OF POSTPETITION TAXES

MONTH: _____

FEDERAL	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/ OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
1. WITHHOLDING**				
2. FICA- EMPLOYEE**				
3. FICA- EMPLOYER**				
4. UNEMPLOYMENT				
5. INCOME				
6. OTHER (ATTACH LIST)				
7. TOTAL FEDERAL TAXES				
STATE AND LOCAL				
8. WITHHOLDING				
9. SALES				
10. EXCISE				
11. UNEMPLOYMENT				
12. REAL PROPERTY				
13. PERSONAL PROPERTY				
14. OTHER (ATTACH LIST)				
15. TOTAL STATE & LOCAL				
16. TOTAL TAXES				

* The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero.

** Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment or deposit.

CASE NAME:
CASE NUMBER:

ACCRUAL BASIS- 5

02/13/95

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: _____

BANK RECONCILIATIONS			
	Account #1	Account #2	Account #3
A. BANK:			
B. ACCOUNT NUMBER:			
C. PURPOSE (TYPE):			
1. BALANCE PER BANK STATEMENT*			
2. ADD: TOTAL DEPOSITS NOT CREDITED			
3. SUBTRACT: OUTSTANDING CHECKS			
4. OTHER RECONCILING ITEMS			
5. MONTH END BALANCE PER BOOKS			
6. NUMBER OF LAST CHECK WRITTEN			

INVESTMENT ACCOUNTS				
BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS				

CASH	
12. CURRENCY ON HAND	
13. TOTAL CASH - END OF MONTH	

* Attach photocopies of bank statements for all accounts.

CASE NAME:

CASE NUMBER:

ACCRUAL BASIS- 6

02/13/95

MONTH: _____

PAYMENTS TO INSIDERS AND PROFESSIONALS

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101(31) (A)- (F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1.			
2.			
3.			
4.			
5.			
6. TOTAL PAYMENTS TO INSIDERS			

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
1.					
2.					
3.					
4.					
5.					
6. TOTAL PAYMENTS TO PROFESSIONALS					

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.			
2.			
3.			
4.			
5.			
6. TOTAL			

CASE NUMBER:

02/13/95

MONTH: _____

	YES	NO
1. HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		
2. HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		
3. ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		
4. HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?		
5. HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		
6. ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		
7. ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		
8. ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		
9. ARE ANY OTHER POSTPETITION TAXES PAST DUE?		
10. ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		
11. HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		
12. ARE ANY WAGE PAYMENTS PAST DUE?		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

	YES	NO
1. ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?		
2. ARE ALL PREMIUM PAYMENTS PAID CURRENT?		
3. PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEUED DURING THIS REPORTING PERIOD, PROVIDE AN EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

[illegible]

CASE NAME:
CASE NUMBER:

POST CONFIRMATION REPORT	MONTH	MONTH	MONTH	QUARTER TOTAL
TOTAL RECEIPTS				
DISBURSEMENTS				
1. NET PAYROLL				
2. PAYROLL TAXES PAID				
3. SALES, USE & OTHER TAXES PAID				
4. SECURED / RENTAL / LEASES				
5. UTILITIES				
6. INSURANCE				
7. INVENTORY PURCHASES				
8. VEHICLE EXPENSES				
9. TRAVEL				
10. ENTERTAINMENT				
11. REPAIRS & MAINTENANCE				
12. SUPPLIES				
13. ADVERTISING				
14. PROFESSIONAL FEES				
15. U. S. TRUSTEE FEES				
16. OTHER (ATTACH LIST)				
TOTAL DISBURSEMENTS				

	YES	NO
ARE YOU IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THE CONFIRMED PLAN?		
IF NO, PLEASE EXPLAIN:		

RESPONSIBLE PARTY:

ORIGINAL SIGNATURE OF RESPONSIBLE PARTY
 Printed Name: _____
 Address: _____
 Telephone Number: _____

Title _____
 Date _____

PREPARER:

ORIGINAL SIGNATURE OF PREPARER
 Printed Name: _____
 Address: _____
 Telephone Number: _____

Title _____
 Date _____

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OKLAHOMA

IN RE:

Debtor.

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)
)
)

CASE NO.
CHAPTER 11

CHAPTER 11 FINAL REPORT AND
APPLICATION FOR FINAL DECREE

COMES NOW the debtor, _____, by and through his undersigned attorney(s), and pursuant to the provisions of 11 U.S.C. §1106(a)(7), and as ordered by this Court, submits that the estate herein is fully administered and substantially consummated as follows:

1. The order confirming the plan has become final;
2. Any deposits required by the plan have been distributed;
3. The property proposed by the plan to be transferred has been substantially transferred;
4. The debtor or the successor of the debtor under the plan has substantially assumed the business or the management of the property dealt with by the plan;
5. Payments under the plan have commenced;
6. All motions contested matters, and adversary proceedings have been finally resolved; and
7. The fees and expenses approved and paid are as follows:
 - A. Trustee Fee.....\$
 - B. Attorney for Trustee Fee.....\$
 - C. Attorney for Debtor Fee.....\$
 - D. Other Professionals Fee.....\$
 - E. All Expenses, including Trustee's.\$

WHEREFORE, the debtor prays for the entry of a Final Decree pursuant to Rule 3022 of the Federal Rules of Bankruptcy Procedure finding that the Plan is effective and that the estate has been fully administered.

DATED:

Attorney
Address
Phone Number

ATTORNEYS FOR THE DEBTOR